

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 20442
[Redacted],)	
)	DECISION
Petitioner.)	
_____)	

On June 12, 2007, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayer) proposing income tax, penalty, and interest for taxable years 1999 through 2003 in the total amount of \$21,184.

The taxpayer filed a timely protest. He did not request a hearing or submit additional information. The Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

Tax Commission records showed the taxpayer (who appeared to have received Idaho sourced income) had not filed Idaho individual income tax returns for the years 1999 through 2003. The Bureau sent the taxpayer correspondence asking him for an explanation of why he had not filed Idaho returns. The taxpayer did not respond.

[Redacted].

Idaho Code § 63-3045 (1)(a) states:

63-3045. Notice of redetermination or deficiency --
Interest. (1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal.

Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option, file a protest in writing with the state tax commission and obtain redetermination of the deficiency.

When the Bureau did not receive a response from the taxpayer, it prepared Idaho returns on behalf of the taxpayer for the year in question. The NODD amounts were based on Tax Commission records [Redacted].

The Bureau received a letter of protest from the taxpayer stating he has been a traveling [Redacted] since 1987 and, “I have been on a vow of poverty and make no income revenue.” He attached a copy of Articles of Incorporation for the “Harbingers of the Turning of the Ages, a corporation sole” and three annual reports for a “domestic nonprofit corporation” that was filed in Hawaii.

The Bureau sent the taxpayer a letter acknowledging his timely protest and allowing him additional time to have his returns prepared and submitted. When the Bureau did not receive the returns, his file was transferred to the Legal/Tax Policy Division of the Tax Commission for administrative review. The taxpayer did not answer a letter from the Tax Appeals Specialist offering him the opportunity to appear for an informal conference or submit additional information.

An application for the homeowner’s exemption the taxpayer filed with [Redacted], Idaho, shows the taxpayer purchased a home in September 1998 [Redacted]. The taxpayer received the homeowner’s exemption every year until he sold the home in 2003, the same year a federal Form 1099 was issued for a forgiveness of debt. He was issued an Idaho driver’s license in 1998 and 2002.

The Bureau computed the taxpayer's Idaho income tax responsibility using the income amounts shown in IRS records with a filing status of single. The penalty and interest additions were calculated in conformity with Idaho Code §§ 63-3045 and 63-3046. The Tax Commission has received nothing that would suggest the NODD prepared by the Bureau is in error.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). The taxpayer has failed to meet his burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated June 12, 2007, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1999	\$1,345	\$ 336	\$ 686	\$ 2,367
2000	1,302	326	560	2,188
2001	1,227	307	433	1,967
2002	1,027	257	296	1,580
2003	9,078	2,270	2,139	<u>13,487</u>
			TOTAL	\$21,589

Interest is computed through January 15, 2008.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of taxpayer's right to appeal this decision is enclosed with this decision.

DATED this ____ day of _____, 2008.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE BY MAIL

I hereby certify that I have on this ____ day of _____, 2008, served a copy of the within and foregoing DECISION by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]

Receipt No.